

ANGUS COUNCIL

COMMUNITIES COMMITTEE —18 AUGUST 2015

WATER ANNUAL REPORT 2014/15

REPORT BY HEAD OF TECHNICAL AND PROPERTY SERVICES

ABSTRACT

This report presents the end of year status of the water consumption and water & drainage expenditure for the Council non-housing properties for 2014/15. It shows a significant year on year reduction in water consumption of 57,314 cubic meters and an underspend of £248,020 on the water & drainage expenditure for 2014/15.

1. RECOMMENDATIONS

1.1 It is recommended that the Committee:

- (i) notes this annual report is required to be accessible to members of the public;
- (ii) notes the contents of this end of year report.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/COPORATE PLAN

2.1 This report contributes to the following local outcomes contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- Communities that are sustainable:
- Our natural built environment is protected and enjoyed
- Our carbon footprint is reduced

3. BACKGROUND

3.1 The Corporate Services committee at its meeting of 28 April 2011 approved Report No: 312/11, UPDATE OF MARKET PROCUREMENT OF WATER SERVICES. This introduced new contractual and corporate management arrangements for the provision of water and drainage services.

3.2 Service Directorates have provision within their budgets for water and drainage costs. However responsibility for the overall management of these budgets and the provision of budget monitoring information rests with the Head of Technical and Property Services.

3.3 Technical and Property Services currently manages the water and drainage contract for all non-housing properties within Angus Council and maintains an overview, in conjunction with Corporate Improvement and Finance, of the rate of expenditure on the associated budgets.

3.4 The water and drainage services contract has been procured through the Scottish Procurement national contract which now runs from 1 April 2011 to 30 September 2015, with the Council opting to pay annually in advance thereby maximising the available discount offered under the contract (-13.5%). The national contract is currently being retendered and it is anticipated the successful supplier will be announced in September 2015.

- 3.5 Currently there is no formal target for reducing water consumption within the Council buildings however the budgets are based on a three year rolling profile for each water supply. A significant number of sites have been transferred to metered supplies and an exercise to install Automatic Meter Reading (AMR) devices was completed 2014. The AMR devices provide half hourly information on the flow of water through the meter, and this information can give an early indication of possible leaks within an installation as well as indicating when and how much water is being consumed.
- 3.6 The programme for the installation of urinal controls across the Council estate has now been completed and considerable water consumption reductions have been achieved.

4. CURRENT POSITION

Water Consumption

- 4.1 The water consumption status, as at 31 March 2015 is detailed in Table 1 and Appendix A, these figures reflect only the consumption made against presented invoices.

Table 1	Budget Consumption m ³	Metered Consumption m ³	Difference m ³	Percentage Consumption to Budget
2013/14	224,697	230,868	+6,171	103%
2014/15	218,447	173,554	-44,893	79%
Reduction between years		-57,314	-25%	

See Appendix A for the directorate breakdown of Table 1

- 4.2 Table 1 shows a decrease of 57,314 cubic meters of water between the two financial years. This reduction can be directly attributed to the success of the recent spend to save project which involved the installation of new urinal controls.
- 4.3 The performance by individual directorates, as detailed in Appendix A, notes have been added where there are significant differences between the budgeted and the metered consumption.
- 4.4 The Council has increased the number of metered supplies to 259 leaving 77 un-metered supplies. We will continue to reduce the number of un-metered supplies as and when opportunities arise.

Expenditure on Water & Drainage

- 4.5 The expenditure status, as at 31 March 2015 is detailed in Table 2 and Appendix B; these figures reflect only the payments made against presented invoices.

Table 2	Budget Volume	Total Spend	Difference	Percentage Spend to Budget
2013/14	£876,000	£864,723	£11,277	99%
2014/15	£948,000	£699,980	£248,020	74%
Reduction between years		-£164,743	-19%	

See Appendix B for a directorate breakdown of Table 2.

- 4.6 Table 2 shows an overall underspend of £248,020 for the 2014/15 year. This was due to a combination of lower than expected pass-through charges which were used to calculate the base unit rate for the water and drainage costs and the successful spend to save urinal control project which significantly reduced the overall water consumption. In comparison to the total spend the previous financial year the 2014/15 outturn is 19% lower.

- 4.7 The performance by individual directorates, is detailed in Appendix B, notes have been added where there are significant differences between the budget volume and total spend figures.

5. PROPOSALS

- 5.1 The Council is currently accredited to the Carbon Trust Standard which covers the carbon emissions from buildings, transport and waste. The accreditation process for the standard ensures the Council creates and implements policies and procedures to ensure it continues to reduce its carbon emissions year on year. The regular external checks provided by the accreditation process ensure the Council continues to deliver the required carbon reductions.
- 5.2 It was agreed at the recent Carbon Reduction Member/Officer Working Group (11 June 2015) that the Council will apply for accreditation to the Carbon Trust Water Standard. The Standard calls for continued water consumption reductions and the requirement to make annual performance information available to members of the public. Therefore in preparation for the accreditation the Water Annual Report 2014/15 is being submitted to Committee for noting and thereby ensuring that the information is available to members of the public.

6. FINANCIAL IMPLICATIONS

- 6.1 Careful preparation of the detailed water and drainage budgets for 2014/15 has ensured that the Council met its obligations to Business Stream through the advanced payment mechanism, thus receiving the full available discount from the advanced payment option. The discount is currently minus thirteen and a half per cent from the Business Stream published tariffs.
- 6.2 The national contract for the supply of water and drainage services is currently being retendered through Scottish Procurement and it is anticipated that the successful service provider will be announced in September 2015. The detail arrangements and information about the contracts including any discounts will not be made available until September 2015 therefore certain assumptions will have to be made when setting the budgets for 2015/16.
- 6.3 Table 2 and Appendix B show an under spend on the Water and Drainage costs of £248,020 for 2014/15, across the various water and drainage headings. This underspend has been progressed on a managed basis and absorbed within the cash limited budgets available to Council directorates.

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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Appendix A 2014/15 Water Consumption Status

Appendix B 2014/15 Water Expenditure Status

Appendix A 2014/15 Water Consumption Status

	Budget Consumption m ³	Metered Consumption m ³	Percentage Consumption to Budget
People Directorate	136,351	94,090	69%
Chief Executive	3,027	1,766	58%
Resources Directorate	2,516	2,891	115%
Communities Directorate	67,060	65,019	97%
Other Services	15	10	67%
Sub Totals	208,969	163,776	78%
Communities Directorate (HRA)	9,472	9,776	103%
Common Good	6	2	33%
Sub Totals	9,478	9,778	103%
Totals	218,447	173,554	79%

Notes:

Generally there has been a significant reduction in the water consumption which is attributable to the installation of urinal controls across the Council estate.

- a the higher than expected water consumption out turn can be attributed to increased water use at Angus House. This could be as a result of increased numbers of staff being based at Angus House, this small increase represents 0.002% of the total metered supply

Appendix B 2014/15 Water Expenditure Status

	Budget Volume (£)	Total Spend (£)	Percentage Spend to Budget
Centralised Water Management	0	0	0%
Central Water Efficiency Fund	27,067	27,067	100%
People Directorate	523,086	395,767	76%
Chief Executive	20,016	11,796	59%
Resources Directorate	31,667	24,998	79%
Communities Directorate	305,635	208,967	68%
Other Services	552	0	0%
Sub Totals	908,023	668,595	74%
Communities Directorate (HRA)	39,557	31,068	79%
Common Good	589	317	54%
Sub Totals	40,146	31,385	78%
Totals	948,000	699,980	74%

Notes:

Generally there has been a significant reduction in the water consumption as a direct result of the installation of urinal controls across the Council estate. This in turn has been reflected in the reduced expenditure on water and drainage charges.